

## ENERGY MANAGEMENT (CSP Enhancements) January 2005 Colorado Enhancement Activity Job Sheet E-1

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<b>Energy</b>	<b>Audits</b>

Payment = \$500.00 / Energy Audit. This is a one time enhancement activity payment.

Agriculture faces rising costs for energy, regardless of whether the energy is embedded (energy used for production, transportation, and application that is 'captured' in fertilizer and pesticides), photosynthetic, or direct (energy derived directly from a source, such as electricity, butane, etc., and consumed for a particular use like heating, lighting, or transportation).

Through the Conservation Security Program (CSP), the USDA's Natural Resources Conservation Service (NRCS) is encouraging farmers and ranchers to review how they use energy in their operations and look for ways to reduce costs, improve energy efficiency, and reduce impacts on the environment. An energy audit is the first step in energy management. Operators need to determine current energy use before changes in efficiency can be measured. Once energy consumption and costs have been measured, users can perform a variety of analyses to determine which actions are most efficient, and take steps to make changes where necessary.

Definition – An energy audit identifies and evaluates energy management opportunities on the farm or ranch. During an audit, a baseline is developed to characterize and record energy use. Individual unit operations, processes, and major energy-consuming equipment are evaluated to identify energy management opportunities and high-return-on-investment projects. Typically, an action report is produced that describes the baseline, each conservation opportunity area, an estimate of the cost to implement the changes, the savings that will be generated, and an estimation of the payback period.

Who Performs Energy Audits? – Farmers and ranchers interested in receiving a one time enhancement payment for an energy audit may hire a professional contractor or utility of their choice to conduct the audit. Operators should ensure that the contractor has relevant educational and professional experience, has a successful track record, can provide objective advice, has declared any financial relationships with equipment vendors or service companies, and has a qualified staff.

**Documentation Required**: A receipt from the professional energy auditor is required prior to payment approval. A list of potential audit contractors is available from your local NRCS field office.

I certify that I have a receipt available as pr	roof of the professional	energy audit.
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